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USE OF LOCAL RESOURCES IN RUMANIA

[Comment: The following article, by M. I. Stefan, describes the drive in the Rumanian People's Republic for increased use of local sources of power and raw materials.

Stefan gives two main reasons for this drive. First, the utilization by factories, shops, and other consumers of nearby raw materials and power would save time and transportation facilities. Second, it would conserve central stockpiles of construction materials, clothing, consumer goods, and other items.

In this connection it may be of interest to note that the Lupta de Clasa, organ of the Rumanian Worker's Party, stated in an editorial in its February-March 1952 issue that the government had been unable to accumulate enough agricultural products and other items in central stockpiles to control prices on the free market. The government therefore encouraged the discovery and use of supplementary local sources of raw materials and power so that regular supplies could go to the central stockpile. Also, the Neue Zuercher Zeitung speculated in its 18 June 1952 issue that the utilization of local raw materials and the establishment of communal industries was necessary to offset the lack of foreign exchange which cuts Rumania off from the Western raw materials market.

The article by Stefan follows:7

In the past, local raw materials, including fuels, chemicals, industrial wastes, consumer goods, and foods, were never systematically exploited. The RPR (Rumanian People's Republic) enjoys an abundant supply of wood, coal, petroleum, natural gas and other raw materials for the chemical industry, yet formerly medicines, chemical fertilizers, and dyestuffs were imported. Formerly, no efficient use was made of the electrical energy potential and up to 1944, Rumania had the lowest per capita electricity consumption in all of Europe. Other natural wealth to be found throughout the country includes peat, wood, limestone, mineral

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pigments, and river reeds. In addition, there is fallow land in towns and this can be used for the cultivation of vegetables, or for raising hogs and poultry to augment the urban meat supply. Scraps and wastes from industrial enterprises and artisan cooperatives also furnish an abundant supply of raw materials.

All of these can be used through local industrial enterprises, artisan cooperatives, and in home industry to improve the entire national economy. Benefits to be derived from the use of local raw materials are: the improvement of the supply of consumer goods to the worker, the strengthening of the exchange between town and village, the advancement of undeveloped areas, increased production, local manufacture of industrial items now produced by large state enterprises, and the strengthening of the currency.

The principle of the development of local resources was first expressed by Stalin in a speech presented before the Fourteenth Party Congress of the USSR on 18 December 1925. This speech should set the pattern for local activity in Rumania. Stalin declared that the need to concentrate on heavy industry led to a neglect of the needs of the population. The creation of local industries could best satisfy this need. The importance of Soviet units of local production is shown by the fact that they manufacture 35,000 different items valued at 30 billion rubles. A decree of the Council of Ministers of the USSR, issued on 22 August 1945, provides for increased production of goods and food products from local raw materials and wastes of local industrial enterprises and cooperatives.

It is the job of the people's councils of the RPR to lead the masses in the emulation of the example set by local Soviet enterprises. The people's councils are supported by commissions for communal economy and local enterprises. The Ministry of Communal Economy and Local Enterprises coordinates and supervises this activity. The Five-Year Plan of the RPR provides for great expansion in this field. Water and sewage in large cities will be improved. Transportation for workers will be increased by the construction of new streetcar lines, buses, and by greater vehicular transport. Thousands of kilometers of roads and highways will be modernized and resurfaced. The state budget for 1952 provides hundreds of millions of lei for the financing of enterprises of local interest. More than half of the investments in local industry in 1952 will be financed by the state.

Individual regiunes and raions benefit by this program, for a large part of the production of local enterprises remains for local consumption. Moreover, the state assures an easy sale of products of local enterprises through state cooperatives and the state commercial network. Sale is also facilitated by people's councils.

Achievements of the first year of the Five-Year Plan show that these objectives are being carried out. In 1951, the Ministry of Communal Economy and Local Enterprises fulfilled production plans 100 percent. The production of local enterprises increased 36.9 percent over 1950. At the beginning of 1952, production of local enterprises was included in the state plan. Local plans were drawn up at a meeting of people's councils. These plans were created on a regiune basis, however. In the future, each regiune must be ready to help its neighbors by supplying them with the materials which they lack. For example, Arges, Valcea, and Buzau can supply others with building stone and lime. This type of cooperation can prevent disproportionate development of regiunes and also aid regiunes in specializing in materials with which they are abundantly supplied.

Local enterprises can assure accumulations which in turn can be used for further development as well as for municipal construction and beautification. People's councils of Mures and Baia-Mare regiunes have been particularly successful in this regard. Creation of additional local stockpiles can increase the supply of consumer goods.

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One of the situations which the currency reform was intended to improve was the failure of the state to create large agricultural stocks to supply the population through ration cards and to regulate prices on the free market. The local plans are primarily directed toward the creation of supplies in each regiune and raion. This will aid in overcoming the influence of speculators and will increase the exchange between town and village. Local stockpiles will free the central state supply for the needs of the working population. In the past, various areas have utilized greater amounts of consumer goods from the central supply than they have contributed to it. In some regiunes the production of goods was far lower than consumption. In Hunedoara Regiune, production was 12 percent of consumption; in Prahova, 21 percent; in Buzau, 24 percent. Some regiunes have improved the ratio in 1952. For example, Bacau Regiune raised this to 57 percent, Galati to 61.5, and Bihor to 62 percent.

Because of this imbalance of production and consumption, it is necessary to point out ways in which regiunes can increase local consumer production. The Five-Year Plan suggests one way to improve the food situation. This is to raise vegetables and to grow animals and poultry in cities. Carrying out the provisions of the plan, the Bucharest People's Councils proposed to increase food production 52 percent by using vacant areas and fallow land. The executive committee of the people's council of Cluj achieved important successes in this field.

The people's council of Mures created more than 150 units of local production, including the manufacture of food products, the raising and fattening of hogs, the raising of poultry, cattle, and bees. Numerous other regiunes established vegetable gardens, and industrial enterprises for the processing of local food products. Among these were canneries, fruit preserve plants, and factories for drying fruits, vegetables, and mushrooms. These enterprises made good use of wild fruits such as beech-nuts, wild raspberries, blackberries, blueberries, and others. However, many people's councils did not devote sufficient attention to the development of sheep, poultry, and bee raising, nor did they utilize local fish ponds. The over-all animal husbandry picture is not a favorable one.

Further attention must be given to the use of local sources of fuel and electrical energy. The use of low-grade fuels can bring about significant savings in the use of coal, petroleum, wood, and other materials necessary for the national economy. Peat exists in large quantities in Botosani, Cluj, Sibiu, Stalin, and Suceava regiunes and must be used for local purposes. The people's councils of Arges and Stalin have already begun to replace wood with peat and lignite from local deposits. Arges Regiune has undertaken the calcination of limestone with low-grade coal. Brick and lime kilns as well as mills in Baia-Mare Regiune are using local lignite instead of wood.

In Bihor Regiune, industry is making increasing use of local low grade fuels, since wood must be conserved for construction purposes while petroleum and coal can better be used to provide costly raw materials. Peat, on the other hand, can serve both for fuel and for the manufacture of oils, tars, and insulating materials. Experiments with peat for insulation give promise of greater use in the future. In some regiuni waterfalls, gas deposits and wood scraps can be utilized for the production of electrical energy in small rural stations.

The development of local branches of the construction industry can bring about savings in construction materials and avoid the transportation of these materials over long distances. Wherever stone and sand can be found kilns for brick, tile, and lime can be set up. Suceava Regiune has studied the possibility of increasing production of unslaked lime, for example. The people's councils of Timisoara Regiune and city have reconstructed the Sag brick works destroyed during the war. It now contributes bricks to five construction material plants in the regiune. The people's council of Satchinez in Timisoara Regiune established a plant for the production of stucco.

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In Mures Regiune there are now numerous brick and tile works as well as construction material factories. Dolj and Ialomita regiunes have extensive willow plantations for construction purposes. In contrast, the city of Iasi, which suffered severe damage during World War II, failed to organize local construction material supplies. Great quantities of fallen trees were left to rot in nearby forests. Other people's councils have similarly neglected local sources of building material. The expansion of local construction industries can permit the state to build up centralized stockpiles for more important purposes.

Another important source of supply for local purposes is that provided by industrial wastes and residues. These wastes and residues can be used to produce consumer goods such as buttons, combs, hide products, woolens, pocket knives, tools, and thousands of other items. Local enterprises in Satu-Mare, Radauti, Constanta, and Cluj have been leaders in this field. Petroleum areas can produce from residues such items as vaseline, lamp black, cold cream, wagon grease, sodium sulfate, and eventually hydrochloric acid. Ploesti has already set up local enterprises which process slaughteringhouse wastes for the manufacture of soap.

In Cluj Regiune scraps of hides are used to make sandals, slippers, brief cases, thongs, and watch bands. In the same regiune local enterprises use scraps from metallurgical enterprises for the manufacture of horseshoes, key rings, currycombs, plates, and other items. The people's council of Targu-Mures established a plant for the manufacture of metal syphon caps from scraps of local metal factories. It also set up plants for the production of photographic papers, oxygen, ice, soap, and kitchenware. Bus motors were converted from gasoline to methane gas. In Bihor Regiune a plant was built to produce animal medicines from beer mash. In Dolj Regiune, near the Danube, mussel shells are being used to make buttons.

Villages in many areas of the country now make hide products, wheels, baskets, furniture, raise silkworms, and perform household repairs. Home industries in other areas make national peasant costumes, ornamental vessels, knitwear, and objects of wood.

In addition, artisan cooperatives contribute to the use of local raw materials and scraps. The value of artisan cooperatives has been overlooked by many executive committees of people's councils. This attitude must be "radically liquidated." The Five-Year Plan assigns special importance to artisan cooperatives, because they represent an efficient means of utilization of local resources and raw materials. They have a strong role in the increase of consumer goods.

Another local resource is the machinery, motors, and installations under the control of people's councils. The latter organizations have not fully understood this. In Bucharest Regiune, for example, people's councils had numerous unused tools on hand. These tools were not even in need of repair. It is clear from this and other examples that a more precise inventory of existing equipment is necessary and that strict planning of this equipment will have to be done.

Two typical local industries may be pointed out as an example of what may be accomplished in this sector. The Gheorghe Doja enterprise in Satu-Mare, Baia-Mare Regiune was established in February 1950. It was made up of a sausage plant, two bakeries, and an oil press. This was the extremely modest beginning of the present combine. The enterprise grew rapidly because the people's council was able to attract volunteers for the discovery and use of local raw materials. Thus, this enterprise contributed greatly to the reconstruction of the city ruined by war.

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In 1952, the enterprise has dozens of productive units, including large mills, oil presses, a carpentry shop, a brush shop, a sausage plant and a metals section which has scales, forges, lathes, and a locksmith shop. The chemical section operates a soap factory, and an ice cream and candle plants. There are also poultry and animal raising, gardening, and medicinal plant sections. The entire enterprise is successful except for the fact that it concentrates on the utilization of raw materials from heavy industry instead of making special use of local resources.

A second example of local enterprise exists in Sfântul Gheorghe Raion. This combine has a lathe shop, a bookbinding shop, wood and carpentry shops, a wheel shop, a brick and tile section, a lumber mill, a stone quarry, and a stone-sculpturing section. It makes full use of local natural resources as well as factory wastes. For example, textile scraps are used for bookbinding and for brief cases. In 1952, the combine will set up a paint shop, a sheet-metal shop, a wagon shop, a kiln, and sections for the production of raffia hats and mats.

Local industries support the central stockpiles and lead to the strengthening of the new leu. The program for further expansion of local industry is necessary for two main reasons. First, products of the local economy supply raw materials to factories and shops. Second, the local economy covers local needs for energy, construction materials, footwear, clothing, food and many other items which otherwise would have to come from a central stock.

Despite the above-mentioned successes, the people's councils did not expand local industry enough to meet the growing demands of the workers. Many people's councils did not devote enough attention to local economic development, to the production of consumer goods, to increased profitability of enterprises, nor did they make full use of local production capacity. Many people's councils erroneously orientated their efforts toward the use of industrial scrap instead of local resources. This faulty attitude was criticized both in the press and at meetings of the people's councils. On the other hand, heavy industry did not supply local enterprises with the scraps and raw materials which they needed.

The errors mentioned above are being corrected as fast as possible.

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